

CITY OF PALO ALTO CONTRACT NO. S14149915

AGREEMENT BETWEEN THE CITY OF PALO ALTO AND PREDPOL, INC.

FOR PROFESSIONAL SERVICES

This Agreement is entered into on this 28th day of August, 2013, ("Agreement") by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and **PREDPOL, INC.**, a California corporation, located at 331 Soquel Avenue, Suite 100, Santa Cruz, CA 95060 ("CONSULTANT").

RECITALS

The following recitals are a substantive portion of this Agreement.

- A. CITY intends to provide predictive policing information ("Project") and desires to engage a consultant to provide the software to allow for predictive policing information in connection with the Project ("Services").
- B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.
- C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit "A", attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree:

AGREEMENT

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit "A" in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

SECTION 2. TERM.

The term of this Agreement shall be from the date of its full execution through August 27, 2015 unless terminated earlier pursuant to Section 19 of this Agreement.

SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit "B", attached to and made a part of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of

damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Thirty One Thousand Dollars (\$31,000.00). The applicable rates and schedule of payment are set out in Exhibit "C", entitled "COMPENSATION," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the services performed and the applicable charges (including an identification of personnel who performed the services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT's billing rates (set forth in Exhibit "C-1"). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the City's project manager at the address specified in Section 13 below. The City will generally process and pay invoices within thirty (30) days of receipt.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All of the Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.

All of the services to be furnished by CONSULTANT under this agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors,

omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY's stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the PROJECT design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written consent of the city manager. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the city manager will be void.

SECTION 12. SUBCONTRACTING.

No Subcontractor: CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the city manager or designee.

CONSULTANT shall be responsible for directing the work of any subconsultants and for any compensation due to subconsultants. CITY assumes no responsibility whatsoever concerning compensation. CONSULTANT shall be fully responsible to CITY for all acts and omissions of a subconsultant. CONSULTANT shall change or add subconsultants only with the prior approval of the city manager or his designee.

SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign Joyce Shimizu as the Project Supervisor to have supervisory responsibility for the performance, progress, and execution of the Services to represent CONSULTANT during the day-to-day work on the Project. If circumstances cause the substitution of the project director, project coordinator, or any other key personnel for any reason, the appointment of a substitute project director and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's project manager. CONSULTANT, at CITY's request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The City's project manager is Ian Hagerman, Police Department, Administration Division, 270 Forest Avenue, Palo Alto, CA 94303, Telephone:650.329.2508. The project manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate project manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. Upon delivery, all work product, including without limitation, all writings, drawings, plans, reports, specifications, calculations, documents, other materials and copyright interests developed under this Agreement shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in CITY, and CONSULTANT waives and relinquishes all claims to copyright or other intellectual property rights in favor of the CITY. Neither CONSULTANT nor its contractors, if any, shall make any of such materials available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

SECTION 15. AUDITS. CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT's records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

SECTION 16. INDEMNITY.

16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the active negligence, sole negligence or willful misconduct of an Indemnified Party.

16.3. The acceptance of CONSULTANT's services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "D".

CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A-VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification. If the insurer cancels or modifies the insurance and provides less than thirty (30) days' notice to CONSULTANT, CONSULTANT shall provide the Purchasing Manager written notice of the cancellation or modification within two (2) business days of the CONSULTANT's receipt of such notice. CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY's Purchasing Manager during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The City Manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.

19.2. CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY.

19.3. Upon such suspension or termination, CONSULTANT shall deliver to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.

19.4. Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the scope of services on

19.5. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

With a copy to the Purchasing Manager

SECTION 21. CONFLICT OF INTEREST.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subconsultants, contractors or persons having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California.

SECTION 22. NONDISCRIMINATION. As set forth in Palo Alto Municipal Code section 2.30.510, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status.

weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS. CONSULTANT shall comply with the City's Environmentally Preferred Purchasing policies which are available at the City's Purchasing Department, incorporated by reference and may be amended from time to time. CONSULTANT shall comply with waste reduction, reuse, recycling and disposal requirements of the City's Zero Waste Program. Zero Waste best practices include first minimizing and reducing waste; second, reusing waste and third, recycling or composting waste. In particular, Consultant shall comply with the following zero waste requirements:

- All printed materials provided by Consultant to City generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by the City's Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable based inks.
- Goods purchased by Consultant on behalf of the City shall be purchased in accordance with the City's Environmental Purchasing Policy including but not limited to Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Office.
- Reusable/returnable pallets shall be taken back by the Consultant, at no additional cost to the City, for reuse or recycling. Consultant shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

SECTION 24. NON-APPROPRIATION

24.1. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

SECTION 25. MISCELLANEOUS PROVISIONS.

25.1. This Agreement will be governed by the laws of the State of California.

25.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

25.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that

action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

25.4. This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.

25.5. The covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.

25.6. If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.

25.7. All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.

25.8 If, pursuant to this contract with CONSULTANT, City shares with CONSULTANT personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), CONSULTANT shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform City immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. CONSULTANT shall not use Personal Information for direct marketing purposes without City's express written consent.

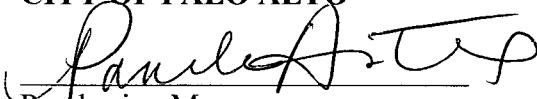
25.9 All unchecked boxes do not apply to this agreement.

25.10 The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

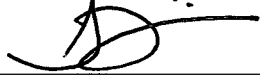
25.11 This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO


Purchasing Manager

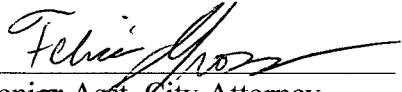
PREDPOL, INC.

By: 

Name: Joyce Shimizu

Title: Chief Operations Director

APPROVED AS TO FORM:


Senior Asst. City Attorney
FELICIA GROSS, ESQ.

Attachments:

EXHIBIT "A":	SCOPE OF WORK
EXHIBIT "B":	SCHEDULE OF PERFORMANCE
EXHIBIT "C":	COMPENSATION
EXHIBIT "D":	INSURANCE REQUIREMENTS

EXHIBIT "A"

SCOPE OF SERVICES

Predpol is proud to be working with you on decreasing crime in the City of Palo Alto and looks forward to a productive and successful relationship. The proposed terms of the Palo Alto Police Department ("Agency") deployment of PredPol are as follows:

1 - Implementation Services				
Description	Qty	List Price	Discount	Price
Initial Setup & Configuration	1	\$3,000	100%	\$0
Total One-Time Costs:				\$0

Initial setup services include the proactive management of the tasks listed below:

- Setup of and integration of the PredPol tool into Agency's existing RMS/CAD/Data system. Timeline for setup dependent upon grant of access by Agency to PredPol's technician for installation of the data pipeline.
- Installation of a data pipe from Agency to the PredPol SaaS. Frequency of data update (daily, hourly, every few minutes) is dependent on the degree of access granted to Predpol to stream data from the Agency.
- Customized interface to Palo Alto's shift schedule, selected crime types, districts and number of requested prediction boxes.

2 - Annual Subscription				
Description	Qty	List Price	Discount	Price/Yr
PredPol SaaS Year 1	1	\$28,000	50%	\$14,000
PredPol SaaS Year 2	1	\$28,000	50%	\$14,000
Total Annual Subscription Costs:				\$28,000

Subscription covers the following:

- Full Agency access to the tool, including unlimited prediction views, refreshes and report generation, as described in the attached product sheet.
- Access to 3, 7, 14 and 28-day historical crime mapping for crime types predicted by the tool.
- Inclusion of feature updates as added during the subscription, at no additional charge.

3 - Additional Services

Additional services, such as custom features, are available on both a fixed-price and/or hourly basis. Such additional items will be subject to a separate scope of work.

4- Non-Financial Agency Commitments

In exchange for the discounts extended above, Agency agrees to the commitment length and financial terms above and the following additional terms, to the extent *reasonable*:

- Deploy and utilize the PredPol tool and the intelligence it generates;
- Generally support the testing of the PredPol tool and any new features/tools, including providing user feedback, as requested by PredPol;
- Contribute to requested case studies and experiments on predictive policing and the use of the PredPol tool;
- Provide public testimonials and referrals to other agencies;
- Respond to reasonable inquiries and host visitors from other agencies;
- Engage in reasonable joint/integrated marketing, including but not limited to press conferences and media relations, training materials, marketing, tradeshow, conferences, speaking engagements and research. In the event any of the forgoing would involve costs to the City outside of their normal costs for employees performing their normal job duties, PredPol agrees to reimburse City for such costs. For example, if the Chief is requested to attend and speak at a conference of Law Enforcement Officials to which they are not already traveling, PredPol agrees to reimburse the City for travel expenses, if requested.

**EXHIBIT “B”
SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed.

Milestones	Completion No. of Days/Weeks From NTP
1. Initial Set Up	TBD
2. Installation	TBD

EXHIBIT "C"

COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the hourly rate schedule attached as exhibit C-1 up to the not to exceed budget amount for each task set forth below.

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit "A" ("Basic Services") and reimbursable expenses shall not exceed \$28,000.00. CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event CITY authorizes any Additional Services, the maximum compensation shall not exceed \$0. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, does not exceed \$28,000.00.

BUDGET SCHEDULE	NOT TO EXCEED AMOUNT
Task 1 (Initial Set Up)	\$3,000.00
Task 2 (Year One)	\$14,000.00
Task 3 (Year Two)	\$14,000.00
Sub-total Basic Services	\$31,000.00
Total Basic Services and Reimbursable expenses	\$31,000.00
Additional Services (Not to Exceed)	\$0
Maximum Total Compensation	\$31,000.00

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$100 shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expense, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement

EXHIBIT "D"

INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-:VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW

TOWN IS CONSENTING ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW				
REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE			
		ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSUREDS CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.			

I. INSURANCE COVERAGE MUST INCLUDE:

- A. A PROVISION FOR A WRITTEN THIRTY (30) DAY ADVANCE NOTICE TO CITY OF CHANGE IN COVERAGE OR OF COVERAGE CANCELLATION, AND
- B. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY.
- C. DEDUCTIBLE AMOUNTS IN EXCESS OF \$5,000 REQUIRE CITY'S PRIOR APPROVAL.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSUREDS"

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSUREDS.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSUREDS UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSUREDS, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

NOTICES SHALL BE MAILED TO:

**PURCHASING AND CONTRACT ADMINISTRATION
CITY OF PALO ALTO
P.O. BOX 10250
PALO ALTO, CA 94303**

STEELBRIDGE INS SERVICES INC/PHS
PO BOX 33015
SAN ANTONIO TX, 78265

PREDPOL INC.
331 SOQUEL AVE STE 100
SANTA CRUZ CA 95062



CERTIFICATE OF LIABILITY INSURANCE

SAN
R045DATE (MM/DD/YYYY)
08-07-2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER STEELBRIDGE INS SERVICES INC/PHS 151884 P:(866)467-8730 F:(877)905-0457 PO BOX 33015 SAN ANTONIO TX 78265	CONTACT NAME	
	PHONE (A/C, No, Ext) (866)467-8730 FAX (A/C, No) (877)905-0457	
INSURED PREDPOL INC. 331 SOQUEL AVE STE 100 SANTA CRUZ CA 95062	E-MAIL ADDRESS	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A Sentinel Ins Co LTD	
	INSURER B Hartford Ins Co of the Midwest	
	INSURER C	
	INSURER D	
INSURER E		
INSURER F		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY						
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$ 2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input checked="" type="checkbox"/> General Liab	<input checked="" type="checkbox"/>	<input type="checkbox"/>	57 SBM BC4875	03/21/2013	03/21/2014	MED EXP (Any one person) \$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER						PERSONAL & ADV INJURY \$ 2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC						GENERAL AGGREGATE \$ 4,000,000
							PRODUCTS - COMP/OP AGG \$ 4,000,000
							\$
A	AUTOMOBILE LIABILITY						
	<input type="checkbox"/> ANY AUTO						COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per person) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS			57 SBM BC4875	03/21/2013	03/21/2014
							PROPERTY DAMAGE (Per accident) \$
							\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input checked="" type="checkbox"/> OCCUR					EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 3,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			57 SBM BC4875	03/21/2013	03/21/2014	\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below			57 WEC DQ5812	03/21/2013	03/21/2014	E L EACH ACCIDENT \$ 1,000,000
							E L DISEASE - EA EMPLOYEE \$ 1,000,000
							E L DISEASE - POLICY LIMIT \$ 1,000,000
A	Technology E&O			57 SBM BC4875	03/21/2013	03/21/2014	\$1,000,000/\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Those usual to the Insured's Operations. Certificate Holder is an Additional Insured per the Business Liability Coverage Form SS0008 attached to this policy.

CERTIFICATE HOLDER

City of Palo Alto
Attn: Office of City Clerk
PO BOX 10250
PALO ALTO, CA 94303

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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STEELBRIDGE INS SERVICES INC/PHS
PO BOX 33015
SAN ANTONIO TX, 78265

City of Palo Alto
Attn: Office of City Clerk
PO BOX 10250
PALO ALTO, CA 94303



CERTIFICATE OF LIABILITY INSURANCE

SAN
R045DATE (MM/DD/YYYY)
08-07-2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER STEELBRIDGE INS SERVICES INC/PHS 151884 P:(866)467-8730 F:(877)905-0457 PO BOX 33015 SAN ANTONIO TX 78265	CONTACT NAME PHONE (A/C, No, Ext) (866)467-8730 FAX (A/C, No) (877)905-0457 E-MAIL ADDRESS																					
INSURED PREDPOL INC. 331 SOQUEL AVE STE 100 SANTA CRUZ CA 95062	<table border="1"><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A</td><td>Sentinel Ins Co LTD</td><td></td></tr><tr><td>INSURER B</td><td>Hartford Ins Co of the Midwest</td><td></td></tr><tr><td>INSURER C</td><td></td><td></td></tr><tr><td>INSURER D</td><td></td><td></td></tr><tr><td>INSURER E</td><td></td><td></td></tr><tr><td>INSURER F</td><td></td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A	Sentinel Ins Co LTD		INSURER B	Hartford Ins Co of the Midwest		INSURER C			INSURER D			INSURER E			INSURER F		
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	GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC						
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS	<input type="checkbox"/>	<input type="checkbox"/>	57 SBM BC4875	03/21/2013	03/21/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	<input type="checkbox"/>	<input type="checkbox"/>				
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE	<input type="checkbox"/>	<input type="checkbox"/>	57 SBM BC4875	03/21/2013	03/21/2014	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$ 3,000,000 \$
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	<input type="checkbox"/>	57 WEC DQ5812	03/21/2013	03/21/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE - POLICY LIMIT \$ 1,000,000
A	Technology E&O	<input type="checkbox"/>	<input type="checkbox"/>	57 SBM BC4875	03/21/2013	03/21/2014	\$1,000,000/\$1,000,000

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AUTHORIZED REPRESENTATIVE

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Date of Request: 3/12/13

To:Carolynn Bissett - Kel Wetherbee
From:Bob Beacom/Charles Cullen
Police Department

Buyer or Contracts Administrator

Request for the purchase of:

Predictive Policing Software Application

Requested supplier/vendor, if known:

PredPol.com

Vendor Address:

331 Soquel Avenue, #100, Santa Cruz, CA 95062

Vendor Contact:

Joyce Shimizu

Vendor Phone:

831-331-4550
#117

Purchase Requisition #:

14915

Total Estimated Cost:

~~\$45,000.00~~

JUSTIFICATION:

Justification must include the following:

- 1 A description of the unique need that necessitates a sole source or single source purchase, a product standardization request, or other type of exemption from
- 2 A statement describing the actions taken by the department during the search for the project or service (e.g. which other product or service reviewed)
- 3 Any reviews, reports, or specifications prepared by the department during the research for available products or services
- 4 Expected Term of contract (e.g. Month Begin/End Year Month/ Year)

33,000

IAW
#2346

1 - The predictive policing application provides the police department with information that will allow them to more effectively deploy limited field resources and anticipate areas where crimes may occur. There are limited providers of predictive policing applications and none provide the capability and price point that PredPol offers. Other Santa Clara County Police Departments have purchased PredPol and there is the future potential of regional data integration. Palo Alto's purchase of PredPol will allow us to participate in such a regional effort.

2 - Police Department staff reviewed the limited predictive policing solutions available. Many of those solutions analyzed historical data but did not provide true predictive analysis. PredPol uses patented algorithms and proprietary analysis tools to predict where crimes may occur rather than simply where they have occurred. IBM offers an expensive server-based solution that is not utilized by any other regional law enforcement agencies. The Police Department currently uses CrimeReports.com which provides crime mapping and analytics but does not have the sophisticated predictive capabilities that PredPol can provide.

3 - The department reviewed specifications for a number of applications. The PredPol application provides the simplest technical solution and is capable of operating on a PC rather than a server. The department was unable to identify a predictive policing solution that operates in a cloud environment. Staff read operational reviews of the applications used by both large departments (San Francisco and Los Angeles) and smaller agencies (Morgan Hill and Santa Cruz). Staff interviewed Santa Cruz and Morgan Hill Police personnel about the system and the reviews of the application and the implementation process were very favorable.

4 - 3 plus years beginning in May of 2013

Follow these Instructions for the Approval Process:

After filling out your Request, please follow these instructions

The departmental approval shall be obtained by sending this **Request** (filled out by requestor) as an attachment via email to the Department Head, who approves by typing the words "Request Approved" (Any approvals required prior to this step shall be obtained at the Department Head's discretion and are not required as an attachment to the email)

The Department Head then forwards the same email directly to the Buyer or Contract Manager assigned to the purchase requisition (See name at top of form)

The Buyer or Contract Manager will obtain Purchasing Manager and City Manager approvals prior to processing the **Request**



PURCHASE REQUISITION (PR) INFORMATION TRANSMITTAL

Purchase Requisition Number: 149915

To: Administrative Services Department
Purchasing/Contract Administration

C. Bissett

(Buyer or Contract Manager Name)

Purchasing
(Location)

From: Dana
(Name)

Police
(Department/Division), Location

2508
Phone extension

Date: 4-4-13

The following information is attached for your review and reference (**check all that apply, and indicate on PR Header text in SAP that the attached will follow via inter-office mail**):

- ☐ Contract/Amendment/Change Order
- ☐ Specifications/Scope of Services/Description of item(s)*
- ☐ Vendor information (for example, W-9)
- ☐ Sole Source
- ☐ Proposal(s)/Quote(s)
- ☐ Certificate(s) of Insurance
- ☐ Other (explain): _____

*If purchase requisition is for a formal bid or proposal request, use project checklist as PR transmittal sheet.

PredPol Predictive Policing SaaS Subscription Agreement

This PredPol Subscription Agreement (the "**Agreement**") is entered into by and between PredPol Inc., a California corporation, with offices at 331 Soquel Avenue, Suite 100, Santa Cruz, CA 95062 ("**PredPol**") and the entity agreeing to these terms (**Palo Alto Police Department "Customer"**). This Agreement is effective as of the date the Agreement is countersigned (the "**Effective Date**"). If you are accepting on behalf of your employer or another entity, you represent and warrant that: (i) you have full legal authority to bind your employer, or the applicable entity, to these terms and conditions; (ii) you have read and understand this Agreement; and (iii) you agree, on behalf of the party that you represent, to this Agreement. This Agreement governs Customer's access to and use of the Services.

1. Pricing.

Customer shall receive a PredPol Services from February 1, 2013 through June 30, 2013 for a flat fee of \$5,000. PredPol Services shall also be provided for fiscal year 2013-2014 for \$14,000 and fiscal year 2014-2015 for \$14,000. The one time installation fee of \$3,000 is waived as a result of the agreement to a multi-year contract. These services include prediction of property, assault and robbery, and such other crimes as Customer and PredPol agree upon.

Payments shall be made in U.S. Dollars by either wire transfer or check. Checks shall be sent to PredPol, Inc., 331 Soquel Avenue, Suite 100, Santa Cruz, California, 95062, USA. If wire transfer is desired, wiring instructions can be obtained by contacting your PredPol point of contact.

2. Term

2.1 Agreement Term.

This Agreement will remain in effect for the Term set forth above under Pricing. However, Customer may elect to cancel the agreement before year's two and three by giving notice of intent to cancel to PredPol in writing, at least 90 days prior to the one year anniversary of the Effective Date.

2.2 Services Term and Purchases During Services Term.

PredPol will provide the Services to Customer during the Services Term. Unless the parties agree otherwise in writing, new products or services purchased during any Services Term will have a prorated term ending on the last day of that Services Term

3. Additional Customer Obligations.

Customer agrees Customer agrees to provide the information and take the steps requested by PredPol in order to facilitate setup and implementation of the Services.

3.1 PredPol's License to Use Customer's Data.

Customer hereby provides PredPol with an irrevocable, non-exclusive license to use its data for purposes of research, development and testing of PredPol's Services. Customer also provides authority to PredPol to utilize its data for delivering services to Customer and other domestic, U.S.-based law enforcement agencies. Such services may include regional reporting, cross-jurisdiction predictions, among other services.

3.2 Additional Obligations.

- Generally support the beta testing of new features/tools developed by PredPol.
- Contribute to requested case studies, to be developed by PredPol.
- Provide testimonials, as requested by PredPol.
- Provide referrals and facilitate introductions to other agencies who can utilize the PredPol tool.
- Respond to inquiries from other agencies regarding Customer's use of PredPol.
- Host visitors from other agencies regarding PredPol.
- Test new features as developed by PredPol.
- Provide user feedback, as requested by PredPol.
- Engage in joint/integrated marketing, including but not limited to press conferences and media relations, training materials, web marketing, collateral, "Predicted by PredPol," tradeshow, conferences, speaking engagements and research.

In the event any of the forgoing would involve costs to the Customer outside of their normal costs for employees performing their normal job duties, PredPol agrees to reimburse Customer for such costs, if PredPol requests Customer take such action. For example, if a Chief is requested to attend and speak at a conference of Police Chiefs to which they are not already traveling, PredPol agrees to reimburse Customer for travel expenses, if requested.

4. Services.

4.1 License to Use.

Customer shall be licensed and authorized to use the Services as provided as a SaaS. The scope of the license is non-transferable and non-exclusive and is authorized by PredPol for use by the Customer. The Customer shall have the right to use the Services for the Term of this Agreement and any extensions or renewals. The Services shall be provided in English.

4.2 Facilities and Data Transfer.

All facilities used to store and process Customer Data will adhere to reasonable security standards no less protective than the security standards at facilities where PredPol stores and processes its own information of a similar type and in compliance with all applicable state and federal laws. PredPol has implemented at least industry standard systems and procedures to ensure the security and confidentiality of Customer Data, protect against anticipated threats or hazards to the security or integrity of Customer Data and protect against unauthorized access to or use of Customer Data.

4.3 Modifications To the Services.

PredPol may make commercially reasonable changes to the Services from time to time. If PredPol makes a material change to the Services PredPol will inform Customer.

4.4 Retention.

PredPol will have no obligation to retain any archived Customer Data. Customer Data is read from Customer, but PredPol does not provide or function as an archive service for the data.

5. Customer Obligations.

5.1 Compliance.

Customer will use the Services in accordance with this Agreement and all applicable laws. PredPol may make new applications features or functionality for the Services available from time to time the use of which may be contingent upon Customer's agreement to additional terms.

5.2 Login IDs and Passwords.

Customer is solely responsible for monitoring and protecting the confidentiality of all Login IDs and Passwords issued to it and its End Users.

5.3 Customer Administration of the Services.

Customer may specify one or more Administrators who will have the rights to administer the End User Accounts. Customer is responsible for: (a) maintaining the confidentiality of the password and Admin Account(s); (b) designating those individuals who are authorized to access the Admin Account(s); and (c) ensuring that all activities that occur in connection with the Admin Account(s) comply with the Agreement. Customer agrees that PredPol's responsibilities do not extend to the internal management or administration of the Services for Customer and that PredPol is merely a data-processor.

5.4 Unauthorized Use.

Customer will use commercially reasonable efforts to prevent unauthorized use of the Services and to terminate any unauthorized use. Customer will promptly notify PredPol of any unauthorized use of or access to the Services of which it becomes aware.

5.5 Restrictions on Use.

Unless PredPol specifically agrees in writing, Customer will not, and will use commercially reasonable efforts to make sure a third party does not: (a) sell, resell, lease or the functional equivalent, the Services to a third party (unless expressly authorized in this Agreement); (b) attempt to reverse engineer the Services or any component; (c) attempt to create a substitute or similar service through use of, or access to, the Services; (d) use the Services for High Risk Activities; or (e) use the Services to store or transfer any Customer Data that is controlled for export under Export Control Laws or other applicable law. Customer is solely responsible for ensuring that its use of the Services complies with all applicable laws and regulations.

5.6 Third Party Requests.

Customer is responsible for responding to Third Party Requests. PredPol will, to the extent allowed by law and by the terms of the Third Party Request: (a) promptly notify Customer of its receipt of a Third Party Request; (b) comply with Customer's reasonable requests regarding its efforts to oppose a Third Party Request; and (c) provide Customer with the information or tools required for Customer to respond to the Third Party Request. Customer will first seek to obtain the information required to respond to the Third Party Request on its own and will contact PredPol only if it cannot reasonably obtain such information.

6. Payment.

6.1 Payment.

All payments due are in U.S. dollars unless otherwise indicated on the Order Page or invoice. Fees for orders where PredPol issues an invoice are due upon Customer's receipt of the invoice and are considered delinquent thirty days after the date of the applicable invoice.

6.2 Delinquent Payments.

Delinquent payments may bear interest at the rate of one-and-one-half percent per month (or the highest rate permitted by law if less) from the payment due date until paid in full. Customer will be responsible for all reasonable expenses (including attorneys' fees) incurred by PredPol in collecting such delinquent amounts except where such delinquent amounts are due to PredPol's billing inaccuracies.

6.3 Taxes.

Customer is responsible for any Taxes and Customer will pay PredPol for the Services without any reduction for Taxes. If PredPol is obligated to collect or pay Taxes, the Taxes will be invoiced to Customer unless Customer provides PredPol with a valid tax exemption certificate authorized by the appropriate taxing authority. If Customer is required by law to withhold any Taxes from its payments to PredPol, Customer must provide PredPol with an official tax receipt or other appropriate documentation to support such payments.

7. Technical Support Services.

7.1 By Customer.

Customer will, at its own expense, respond to questions and complaints from End Users or third parties relating to Customer's or End Users' use of the Services. Customer will use commercially reasonable efforts to resolve support issues before escalating them to PredPol.

7.2 By PredPol.

If Customer cannot resolve a support issue consistent with the above, then Customer may escalate the issue to . PredPol will provide the support necessary to resolve Customer's issue, to the extent reasonably practicable in PredPol's discretion.

8. Suspension.

8.1 Of End User Accounts by PredPol.

If PredPol becomes aware of an End User's violation of the Agreement, then PredPol may specifically request that Customer Suspend the applicable End User Account. If Customer fails to comply with PredPol's request to Suspend an End User Account, then PredPol may do so. The duration of any Suspension by PredPol will be until the applicable End User has cured the breach which caused the Suspension.

8.2 5.2 Emergency Security Issues.

Notwithstanding the foregoing, if there is an Emergency Security Issue, then PredPol may automatically Suspend the offending use. Suspension will be to the minimum extent and of the minimum duration required to prevent or terminate the Emergency Security Issue. If PredPol Suspends an End User Account for any reason without prior notice to Customer, at Customer's request, PredPol will provide Customer the reason for the Suspension as soon as is reasonably possible.

9. Confidential Information.

9.1 Obligations.

Each party will: (a) protect the other party's Confidential Information with the same standard of care it uses to protect its own Confidential Information; and (b) not disclose the Confidential Information except to Affiliates, employees and agents who need to know it and who have agreed in writing to keep it confidential. Each party (and any Affiliates' employees and agents to whom it has disclosed Confidential Information) may use Confidential Information only to exercise rights and fulfill its obligations under this Agreement, while using reasonable care to protect it. Each party is responsible for any actions of its Affiliates' employees and agents in violation of this Section.

9.2 Exceptions.

Confidential Information does not include information that: (a) the recipient of the Confidential Information already knew; (b) becomes public through no fault of the recipient; (c)

was independently developed by the recipient; or (d) was rightfully given to the recipient by another party.

9.3 Required Disclosure.

Each party may disclose the other party's Confidential Information when required by law but only after it, if legally permissible: (a) uses commercially reasonable efforts to notify the other party; and (b) gives the other party the chance to challenge the disclosure.

10. Intellectual Property Rights; Brand Features.

10.1 Intellectual Property Rights.

Except as expressly set forth herein, this Agreement does not grant either party any rights, implied or otherwise, to the other's content or any of the other's intellectual property. As between the parties, Customer owns all Intellectual Property Rights in Customer Data and PredPol owns all Intellectual Property Rights in the Services. Customer grants to PredPol a non-exclusive license to use Customer's Data for PredPol's legitimate business purposes, including providing products and services to law enforcement agencies.

11. Publicity.

Customer agrees that PredPol may include Customer's name in a list of PredPol customers, online or in promotional materials. Customer also agrees that PredPol may verbally reference Customer as a customer of the PredPol products or services that are the subject of this Agreement

12. Representations, Warranties and Disclaimers.

12.1 Representations and Warranties.

Each party represents that it has full power and authority to enter into the Agreement. Each party warrants that it will comply with all laws and regulations applicable to its provision, or use of the Services, as applicable (including applicable security breach notification law). PredPol warrants that it will provide the Services as provided herein.

12.2 Disclaimers.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, NEITHER PARTY MAKES ANY OTHER WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE AND NONINFRINGEMENT. PREDPOL MAKES NO REPRESENTATIONS ABOUT ANY CONTENT OR INFORMATION MADE ACCESSIBLE BY OR THROUGH THE SERVICES. CUSTOMER ACKNOWLEDGES THAT THE SERVICES ARE NOT A TELEPHONY SERVICE AND THAT THE SERVICES ARE NOT CAPABLE OF PLACING OR RECEIVING ANY CALLS

INCLUDING EMERGENCY SERVICES CALLS OVER PUBLICLY SWITCHED TELEPHONE NETWORKS.

13. Termination.

13.1 Termination for Breach.

Either party may suspend performance or terminate this Agreement if: (i) the other party is in material breach of the Agreement and fails to cure that breach within thirty days after receipt of written notice; (ii) the other party ceases its business operations or becomes subject to insolvency proceedings and the proceedings are not dismissed within ninety days; or (iii) the other party is in material breach of this Agreement more than two times notwithstanding any cure of such breaches.

13.2 Effects of Termination.

If this Agreement terminates, then: (i) the rights granted by one party to the other will cease immediately (except as set forth in this Section); and (ii) upon request each party will promptly use commercially reasonable efforts to return or destroy all other Confidential Information of the other party.

14. Indemnification.

14.1 By Customer.

Customer will indemnify, defend, and hold harmless PredPol from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys' fees) arising out of a third party claim: (i) regarding Customer Data; or (ii) regarding Customer's use of the Services in violation of this Agreement or applicable law.

14.2 By PredPol.

PredPol will indemnify, defend, and hold harmless Customer from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys' fees) arising out of a third party claim that PredPol's technology used to provide the Services or any PredPol Brand Feature infringe or misappropriate any patent, copyright, trade secret or trademark of such third party. Notwithstanding the foregoing, in no event shall PredPol have any obligations or liability under this Section arising from: (i) use of any Services or PredPol Brand Features in a modified form or in combination with materials not furnished by PredPol, and (ii) any content, information or data provided by Customer, End Users or other third parties.

14.3 Possible Infringement.

- a. Repair, Replace, or Modify.

If PredPol reasonably believes the Services infringe a third party's Intellectual Property Rights, then PredPol will: (a) obtain the right for Customer, at PredPol's expense, to continue

using the Services; (b) provide a non-infringing functionally equivalent replacement; or (c) modify the Services so that they no longer infringe.

b. Suspension or Termination.

If PredPol does not believe the foregoing options are commercially reasonable, then PredPol may suspend or terminate Customer's use of the impacted Services. If PredPol terminates the impacted Services, then PredPol will provide a pro-rata refund of the unearned Fees actually paid by Customer applicable to the period following termination of such Services.

14.4 General.

The party seeking indemnification will promptly notify the other party of the claim and cooperate with the other party in defending the claim. The indemnifying party has full control and authority over the defense, except that: (a) any settlement requiring the party seeking indemnification to admit liability or to pay any money will require that party's prior written consent, such consent not to be unreasonably withheld or delayed; and (b) the other party may join in the defense with its own counsel at its own expense. THE INDEMNITIES ABOVE ARE A PARTY'S ONLY REMEDY UNDER THIS AGREEMENT FOR VIOLATION BY THE OTHER PARTY OF A THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

15. Limitation of Liability.

15.1 Limitation on Indirect Liability.

NEITHER PARTY WILL BE LIABLE UNDER THIS AGREEMENT FOR LOST REVENUES OR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES WERE POSSIBLE AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY.

15.2 Limitation on Amount of Liability.

NEITHER PARTY MAY BE HELD LIABLE UNDER THIS AGREEMENT FOR MORE THAN THE AMOUNT PAID BY CUSTOMER TO PREDPOL HEREUNDER DURING THE TWELVE MONTHS PRIOR TO THE EVENT GIVING RISE TO LIABILITY.

15.3 Exceptions to Limitations.

These limitations of liability apply to the fullest extent permitted by applicable law but do not apply to breaches of confidentiality obligations, violations of a party's Intellectual Property Rights by the other party, or indemnification obligations.

16. Miscellaneous.

16.1 Notices.

Unless specified otherwise herein, (a) all notices must be in writing and addressed to the attention of the other party's legal department and primary point of contact and (b) notice will be deemed given: (i) when verified by written receipt if sent by personal courier, overnight courier, or when received if sent by mail without verification of receipt; or (ii) when verified by automated receipt or electronic logs if sent by facsimile or email.

16.2 Assignment.

Neither party may assign or transfer any part of this Agreement without the written consent of the other party, except to an Affiliate, but only if: (a) the assignee agrees in writing to be bound by the terms of this Agreement; and (b) the assigning party remains liable for obligations incurred under the Agreement prior to the assignment. Any other attempt to transfer or assign is void.

16.3 Change of Control.

Upon a change of control (for example, through a stock purchase or sale, merger, or other form of corporate transaction): (a) the party experiencing the change of control will provide written notice to the other party within thirty days after the change of control; and (b) the other party may immediately terminate this Agreement any time between the change of control and thirty days after it receives the written notice in subsection (a).

16.4 Force Majeure.

Neither party will be liable for inadequate performance to the extent caused by a condition (for example, natural disaster, act of war or terrorism, riot, labor condition, governmental action, and Internet disturbance) that was beyond the party's reasonable control.

16.5 No Waiver.

Failure to enforce any provision of this Agreement will not constitute a waiver.

16.6 Severability.

If any provision of this Agreement is found unenforceable, the balance of the Agreement will remain in full force and effect.

16.7 No Agency.

The parties are independent contractors, and this Agreement does not create an agency, partnership or joint venture.

16.8 No Third-Party Beneficiaries.

There are no third-party beneficiaries to this Agreement.

16.9 Equitable Relief.

Nothing in this Agreement will limit either party's ability to seek equitable relief.

16.10 Governing Law.

This Agreement is governed by California law, excluding that state's choice of law rules. FOR ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES CONSENT TO PERSONAL JURISDICTION IN, AND THE EXCLUSIVE VENUE OF, THE COURTS IN SANTA CRUZ COUNTY, CALIFORNIA. The parties explicitly agree that no other laws, treaties or regulations shall control this Agreement.

16.11 Amendments.

Any amendment must be in writing and expressly state that it is amending this Agreement.

16.12 Survival.

The following sections will survive expiration or termination of this Agreement: Section 3, 6, 7.1, 10, 11.2, 12, 13, 14 and 15.

16.13 Entire Agreement.

This Agreement, and all documents referenced herein, is the parties' entire agreement relating to its subject and supersedes any prior or contemporaneous agreements on that subject.

16.14 Interpretation of Conflicting Terms.

If there is a conflict between the documents that make up this Agreement, the documents will control in the following order: the Subscription Terms set forth in any separate quote prepared by PredPol, then the Agreement, and the terms located at any URL. If Customer signs a physical agreement with PredPol to receive the Services, the physical agreement will override any online Agreement.

16.15 Counterparts.

The parties may enter into this Agreement in counterparts, including facsimile, PDF or other electronic copies, which taken together will constitute one instrument.

17. Definitions.

17.1 "Account Manager" means the PredPol business person working with Customer regarding Customer's purchase of the Services.

17.2 "Admin Account(s)" means the administrative account(s) provided to Customer by PredPol for the purpose of administering the Services. The use of the Admin Account(s) requires a password, which PredPol will provide to Customer.

17.3 "Administrators" mean the Customer-designated technical personnel who administer the Services to End Users on Customer's behalf.

17.4 "Affiliate" means any entity that directly or indirectly controls, is controlled by, or is under common control with a party.

17.5 "Brand Features" means the trade names, trademarks, service marks, logos, domain names, and other distinctive brand features of each party, respectively, as secured by such party from time to time.

17.6 "Confidential Information" means information disclosed by a party to the other party under this Agreement that is marked as confidential or would normally be considered confidential under the circumstances. Customer Data is Customer's Confidential Information.

17.7 "Customer Data" means data, including crime data, provided, generated, transmitted or displayed via the Services by Customer or End Users.

17.8 "Emergency Security Issue" means either: (a) Customer's use of the Services in violation of the Acceptable Use Policy, which could disrupt: (i) the Services; (ii) other customer's use of the Services; or (iii) the PredPol network or servers used to provide the Services; or (b) unauthorized third party access to the Services.

17.9 "End Users" means the individuals Customer permits to use the Services.

17.10 "End User Account" means a PredPol-hosted account established by Customer through the Services for an End User.

17.11 "Export Control Laws" means all applicable export and reexport control laws and regulations, including the Export Administration Regulations ("EAR") maintained by the U.S. Department of Commerce, trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control, and the International Traffic in Arms Regulations ("ITAR") maintained by the Department of State.

17.12 "Fees" means the amounts invoiced to Customer by PredPol for the Services as described in a Subscription Terms or similar document.

17.13 "High Risk Activities" means uses such as the operation of nuclear facilities, air traffic control, or life support systems, where the use or failure of the Services could lead to death, personal injury, or environmental damage.

17.14 "Initial Services Term" means the term for the applicable Services beginning on the Service Commencement Date and continuing for 12 months (or, if different, the duration set forth on the Order Page).

17.15 "Intellectual Property Rights" means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, moral rights law, and other similar rights.

17.16 "Subscription Terms" means the order document reflecting the financial terms of the subscription, including: (i) the Services being ordered; (ii) Fees; and (iii) Initial Services Term.

17.17 "Service Commencement Date" is the date upon which PredPol makes the Services available to Customer, and will be within one week of PredPol's receipt of the completed Order Page, unless otherwise agreed by the parties.

17.18 "Service Pages" mean the web pages displaying the Services to End Users.

17.19 "Services" means the applicable PredPol product or service, as described in the attached Product Data Sheet.

17.20 "Services Term" means the applicable Initial Services Term and all renewal terms for the applicable Services.

17.21 "Suspend" means the immediate disabling of access to the Services, or components of the Services, as applicable, to prevent further use of the Services.

17.22 "Taxes" means any duties, customs fees, or taxes (other than PredPol's income tax) associated with the sale of the Services, including any related penalties or interest.

17.23 "Term" means the term of the Agreement, which will begin on the Effective Date and continue until the earlier of (i) the end of the last Services Term or (ii) the Agreement is terminated as set forth herein.

17.24 "Third Party Request" means a request from a third party for records relating to an End User's use of the Services. Third Party Requests can be a lawful search warrant, court order, subpoena, other valid legal order, or written consent from the End User permitting the disclosure.

EXECUTED as a sealed instrument as of the day and year first set forth below by the last counter-signatory.

DATED: _____, 20__ PredPol, Inc.:

_____,
By: Caleb Baskin, its CEO

DATED: _____, 20__ _____:

By: _____,
Palo Alto, California

Exhibit A: Product Data Sheet

Vendor Information Security Assessment (VISA) Questionnaire

Purpose: This form is to be used to conduct vendor information security assessment for external IT service providers /cloud service providers, Software as a Services (SaaS), Platform as a Services (PaaS) and Infrastructure as a Services (IaaS)

Note/Instructions:

- The SaaS, PaaS and IaaS is a cloud servicing model in which applications, infrastructure and or platform are hosted by a vendor or service provider and made available to customers over a network, typically the Internet.
- This document is for the sole use of the intended recipient(s) and may contain confidential and privileged information belongs to the City of Palo Alto (the City). Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.
- The vendor shall provide answers or information to the questions or statements below.
- In the event that the vendor cannot meet the City's security and or privacy requirements, the vendor may submit an exception with alternative countermeasures to address the risk. The City's Information Security Manager (ISM) may approve or reject the exception request depending upon the risk associated with the exception request.
- Followed by the vendor's response the City's IM will conduct a security risk assessment with following scoring methodology:
A = Meet completely,
B = Partially meets. The Vendor may require to provide additional requested details
C = Doesn't meet. The Vendor may require to provide missing/additional detail.

Vendor Information:

Vendor Organization Name	PredPol, Inc.
Address	331 Soquel Avenue, Santa Cruz, California
Information Security Contact Person Name	Scott Gonyea

Email	scott@predpol.com
Phone	831.331 4550
Date this Questionnaire Completed	

1.0 BUSINESS PROCESS AND DATA EXCHANGE REQUIREMENTS

#	Question	Response from the Vendor	Score	Additional Information/Clarification Required from the Vendor
1.1	Please provide a detailed description of the business process that will be supported by the Vendor as it relates to the requirements of the RFP/ Business Requirements Document (BRD)	PredPol software will analyze incident data, detect patterns, and provide to Palo Alto PD predictions for where crime is most likely to occur in the future.	A	
1.2	Does the Vendor adopt and implemented information security and privacy policies that are documented, are accessible to the City and conform to ISO 27001/2 – Information Security Management Systems (ISMS) Standards.	PredPol operates in state of the art data centers that conform to the recommendations of the ISO 27001 standard. Physical access is limited only to data center technicians. Data center operational security policies are based on ISO17799 and regularly reviewed as part of a SAS70 Type II audit process	A	

1.3	<p>What data exchange needs to occur between the City and the Vendor? What data will be stored at the Vendor location? (Provide data attributes with examples)</p> <p>Example (Payment Card Information, Social Security Number, Driving License number Patrons Name, Address, telephone etc)</p>	<p>In order to make predictions, PredPol requires only the time, place, and type of crime of incidents in the last five to ten years. Additionally, certain record metadata such as a record number are collected to provide convenience features to users.</p> <p>For example, given a burglary that occurred recently, PredPol will request the location (address or coordinates), time, and criminal code of the offense. The data will be accessed by querying a database or flat file designated for use by Palo Alto. For security and performance requirements, PredPol will index the data on site.</p>	A	<p>Need additional information around:</p> <ol style="list-style-type: none"> 1 Please provide a few examples of the data PredPol will access? 2 How the required data will be accessed? 3 Are the data stored at the PredPol site?
1.4	<p>In the event that the Vendor is required to store Private Information (PI) or Personally Identifiable Information (PII) or Sensitive Information (SI) about peoples in the service provider's business systems -- how the Vendor maintain the confidentiality of the Information in accordance with applicable federal, state and local data and information privacy laws, rules and regulations</p>	<p>PredPol does not store private or personal individual data, but protects collected incident data strongly in accordance with all federal, state, and local laws</p> <p>Once again, PredPol does not use any of this data, but encrypts all data in transit with a 2048 bit asymmetric key algorithm</p>	A	<p>How does PrepPol protects collected data? Please define process steps.</p>
1.5	<p>What mechanism and/or what types of tool will be used to exchange data between the City and The Vendor? Example (VPN, Data Link, Frame Relay, HTTP, HTTPS, FTP, FTPS, etc)</p>	<p>Incident data is encrypted using a multi-step hybrid crypto system. Incident payloads are encrypted with 2048 bit RSA and 256 bit AES before being transported over a secure HTTP channel with 2048 bit encryption.</p>	A	

1.6	What types of data Storage (work in progress storage and backup storage) will be required at the Vendor's site. Example (PCI Credit Card Info, SSN, DLN, Patrons Name, Address, telephone etc.)	In order to make predictions, PredPol stores only the time, place, and type of crime of incidents in the last five to ten years.	A	PLEASE BE ADVISED THAT UNDER ANY CIRCUMSTANCES FOLLOWING INFORMATION SHALL NO BE STORED AT THE PRED-POL SITE (DIRECTLY OR INDIRECTLY): 1 PRIVATE INFORMATION (PI) 2 PERSONALLY IDENTIFIABLE INFORMATION (PII) 3 PROTECTED HEALTH INFORMATION (PHI)
1.7	Is there any e-mail integration required between the City and the Vendor? Example: The services may require an e-mail account on the City's e-mail Server	No email integration is required.	A	
1.8	Has the Vendor ever been subjected to either an electronic or physical security breach? Please describe the event(s) and the steps taken to mitigate the root causes. What damages or exposure resulted? Are records of breaches and issues maintained and will these records be available for inspection by COPA?	PredPol's cloud service has never been subjected to an electronic or physical security breach of any kind.	A	



1.9	Does the Vendor maintain formal security policies and procedures to comply with applicable statutory or industry practice requirements/standards? Are records maintained to demonstrate compliance or certification? Does the Vendor allow client audit of these records? NOTE: PLEASE PROVIDE SUPPORTING DOCUMENTATION	Records on formal compliance with standards are maintained by Rackspace, Inc, whom PredPol has partnered with for physical security. Clients may request available documentation from PredPol at any time by contacting our support team	B	PLEASE PROVIDE SUPPORTING DOCUMENTATION 1 Information security policy 2 Physical security policy
2.0	What are the internet and the browser security configuration of the SaaS application? What security standards and requirements are maintained to ensure application security at the user interface? (A set of detailed documentation should be provided to support the compliance)	PredPol's user interface is designed to be highly secure. All connections require a high strength 2048 bit TLS (RSA/AES) based encrypted data socket. The web user interface has built in protections for common web attacks like Cross Site Request Forgery and Cross Site Scripting	A	

2.0 APPLICATION/SOLUTION CONFIGURATION

#	Question	Response from The Vendor	Score	Additional Information/Clarification Required from The Vendor
2.1	What is the name of the application the Vendor will host to provide services to the City? (List all)	PredPol	A	

2.2	What functionality will be provided to the City employees or City customers / citizens through the application?	PredPol analyzes limited incident data in order to make predictions about where crime is likely to occur in the future. The idea is to get officers to disrupt a crime by being in the right place at the right time.	A	
2.3	Is the Vendor using a subcontractor or 3rd party service provider? (List all) If yes, then what data privacy and information security agreements are in place between the Vendor and any subcontractor to ensure appropriate and accountable treatment of information. Also the City requires that this questionnaire shall be completed by each subcontractor as well.	<p>PredPol builds and maintains all the core software behind our application. Our data center is managed by Rackspace, Inc, a recognized leader in secure and reliable data center management.</p> <p>Rackspace's state of the art data centers are accredited by approved auditors in accordance with the relevant standards.</p>	B	How does PredPol verify security compliance of Rackspace
2.4	What is the Vendor's Application hosting hardware and software platform? Also please provide detailed description including SP and a patch or security applications in use. Example: Windows or Unix Operating System (OS) and other detail.	The software is hosted on an OpenStack instance. OpenStack is an open source technology co-developed by NASA and Rackspace to make it easy for anyone to deploy scalable services. The servers run the Apache web server.	A	
2.5	How does the Vendor's application and database architecture manage segregation of the City's data, from other customers' data?	All Palo Alto data will be stored in a database designated only for use by Palo Alto. The username and password to this database will only be accessible from web servers dedicated to hosting only Palo Alto PredPol (as well as available to PredPol server technicians only as necessary).	A	

2.6	Describe the Vendor's server and network infrastructure. Please provide server and network infrastructure deployment topology, including data flow architecture including but not limited to security management applications, firewalls, etc.	Requests are first directed to a load balancer and firewall that distributes HTTPS requests among several available application server nodes. The application server nodes, all built off a standardized and secured server image, will handle client requests and perform any business logic necessary. Data requests are directed to a dedicated database server over a local area network. An appropriate DMZ has been setup so that, for example, the database server is not connected to the internet.	A	
2.7	Please provide detail proposed solution which will be developed as a part of the implementation to support this project. (For example detailed solution architecture, secured data flow to support business processes, etc.)	PredPol will provide a software application to Palo Alto allowing the police department to access crime predictions generated by PredPol's statistical algorithms. The algorithm will perform analysis on Palo Alto's historical incident data.	C	Please answer this question

3.0 DATA PROTECTION

#	Question	Response from the Vendor	Score	Additional Information/Clarification Required the Vendor
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3.1	What is the medium of data exchange between the City and Vendor?	Data is exchanged automatically using a custom java application provided by PredPol. Data payloads are encrypted with 2048 bit RSA / 256 bit AES before being transmitted over an encrypted SSL/TLS connection to PredPol's data processing center.	A	Please provide actual connectivity and communication detail
3.2	How is the data kept secure during the data exchange process? Example (VPN, Data Link, Frame Relay, HTTP, HTTPS, FTP, FTPS, etc)	HTTPS, RSA 2048 bit Pre shared public keys between client and server, AES 256 bit.	A	
3.3	How is the City data kept physically and logically secure at the Vendor location? Example Locked storage, Digitally, Encrypted etc	The data is stored in a highly secured and well guarded data center in Dallas, Texas. Physical security at the data center is managed by Rackspace, Inc.	A	
3.4	What application level protections are in place to prevent vendor/Vendor or subcontractor staff from being able to view protected information ie encryption, masking, etc ?	PredPol limits access to customer databases to the client's designated server technician in case of an issue with the software. PredPol takes steps to carefully pull only the necessary information when a problem requires a technician to view customer data	A	

3.5	What controls does the Vendor exercise over the qualification and performance of their team? Of their subcontractor's teams? (For example criminal background verification prior to employment, providing security training after employment and managing Role Based Access Control (RBAC) during employment and network and application access termination upon employment termination)	PredPol does not subcontract software development of our core product. Our software engineers are thoroughly vetted, highly skilled, and screened by PredPol as well as many of our clients	A	
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4.0 DATA BACK-UP

#	Question	Response	Score	COPA's Security Assessment
4.1	What method is used to keep data secure during backup process?	PGP encryption	A	
4.2	Is the encryption technology used to encrypt, whole, or selective data?	whole data	A	
4.3	What types of "media" will you use for data backup (Tape, Hard Disk Drive or any other devices)?	hard disk drive	A	

4.4	Are the backups encrypted? If yes, please provide encryption specification, with type of encryption algorithm and detail process of encryption handling. If No, please provide detail description (with process, tools and technology) to keep data secured during the back-up process.	Yes, backups are PGP encrypted	A	
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5.0 DATA RETENTION

#	Question	Response from the Vendor	Score	Additional Information/Clafication Required from the Vendor
5.1	What is the retention period for the data being backed up? The data retention process shall comply with the City's data retention policy.	At the current time, backups are performed daily and maintained indefinitely. At this time, PredPol does not purge backups from disk unless requested to do so by the police department.	A	The question is how long does PredPol d Rackspace store data before data purged/deleed.
5.2	Are the data back-up tapes/media stored at the Vendor location or off-site?	All backups are stored within PredPol's production data center, in the same building as the client's PredPol servers.	A	

5 3	<p>If the Vendor's backups are stored with another company, please provide</p> <p>a Company Name</p> <p>b Address</p> <p>c Contact person detail (Phoen and Email)</p> <p>d What contractual commitments are in place to guarantee security performance from these vendors</p>	<p>Rackspace, Inc.</p> <p>5000 Walzem Road</p> <p>San Antonio, TX 78218</p> <p>Larry Hau <larry.hau@RACKSPACE.COM></p> <p>2103127391</p>	A	
5 5	<p>What is the media transfer process (I e The lock box process used to send tapes off-site)?</p>	<p>Backups are not transmitted off site. In the event that a backup does need to be transmitted off site for some reason, and encrypted connection would be used to transmit the backup in encrypted form, where it would be decrypted locally by a technicians PGP keys</p>	A	
5 6	<p>Who has access to the media lockbox? (Provide Name and Role)</p>	<p>Rackspace US</p>	A	
5 7	<p>Who is authorized to access back-up media? (Provide Name and Role)</p>	<p>Omar Qazi - Technical Founder of PredPol</p> <p>Scott Gonyea - Engineering Manager</p>	A	
5 8	<p>What is the backup media receiving and release authorization process? (Please submit a soft copy of the process)</p>	<p>Backup media is not exchanged physically.</p>	A	

6.0 ACCOUNT PROVISIONING AND DE-PROVISIONING (The Vendor must receive formal pre-authorization from the City's Information Security Manager prior to provisioning and de-provisioning of application access account).

#	Question	Response from the Vendor	Score	Additional Information/Clafication Required from the Vendor
5 1	What is the account provisioning/removal process? Example how are users accounts created and managed?)	Users can be deleted from our database instantly, and once removed will no longer have access to PredPol. The police department may designate an administrator or administrators who will have the ability to add and remove users through the software interface.	A	Please provide access control policy
5 2	What is the account deprovisioning/removal process? Example how are users accounts created and managed?)	Clients can manage their users through a web interface provided by PredPol. The police department may designate an administrator or administrators who will have the ability to add and remove users through the software interface	A	Please provide access control policy
5 3	How will the City employees gain access to required application(s)?	Users will be invited to join PredPol by email once a department administrator chooses to add their email to the list of authorized users in PredPol.	A	
5 4	Does the application(s) have the capability to restrict access only from the City's WAN (Wide Area Network)?	PredPol does indeed have this capability.	A	

6.0 PASSWORD MANAGEMENT

#	Question	Response from the Vendor	Score	Additional Information/Clafication Required from the Vendor
6.1	What will be the Policy and Procedures for the logging, authentication, authorization and password management scheme? (Please provide a soft copy of the process)	User passwords are not saved by PredPol. Though all requests to PredPol are logged, passwords are stripped from these logs before they are written to disk. A salted hash of the password is stored in our database so that we can verify that a user's password is correct.	A	
6.2	Where are the login and password credentials stored?	The users email and a password verification hash are stored in Palo Alto's database. User passwords are not retained anywhere.	A	
6.3	Are the password credentials stored with encryption? If yes please provide encryption scheme detail	The bcrypt hashing scheme is used to verify that a user's password is correct. Because we only need to verify that the password is the same, the users password is never actually retained.	A	

64	<p>The Vendor application must comply with following password requirements Does the application meet these requirements</p> <ol style="list-style-type: none"> 1 First time password must be unique to an individual and force the user to change it upon initial login 2 If the password is sent via plain text email to the City employees to mitigate against security exposure 3 The City requires first time password to have a time-out capability of no more than 7 days 4 The email notification must not be CC'd to anyone else except the user 5 The permanent / long term password must be changed frequently, at least TWICE a year 6 E-mail notification must be sent to the user whenever the password has been updated 7 User should not be able to view data or conduct business unless an initial password has been updated with a different password 8 The Vendor shall notify 	PredPol complies with these password requirements.	C	Please provide detail answer this question
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